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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Inventors : Anthony F. Herbst and Wayne F. Perg
Serial No. : 09/467,646
Filed : December 20, 1999
For : DIGITAL COMPUTER SYSTEM FOR OPERATING A
CUSTOMIZABLE INVESTMENT FUND
Group Art Unit : 3628
Examiner : Bui, Thach H.

BRIEF ON APPEAL
ON BEHALF OF APPELLANT

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Honorable Commissioner of Patents
and Trademarks
Washington, D.C. 20231

**BRIEF ON APPEAL
ON BEHALF OF APPELLANT**

S I R :

This is an appeal from the Final Action of the Examiner dated 14 March 2003, rejecting claims all claims pending in this application.

Please charge the fee under 37 C.F.R. § 1.17, the fee for Extension of Time for filing of this Brief, and any other fee necessary for filing this Brief on Appeal, or for further prosecution, to Deposit Account No. 50-0235.

II. Real Party In Interest

Appellant, New Market Solutions, LLC, assignee of the patent application as shown in Patent and Trademark Office assignment records, is the real party in interest in this matter.

III. Related Appeals and Interferences

Applicant has filed an appeal on March 12, 2003, in Ser. No. 09/280,244 titled

“Digital Computer System and Methods for Synthetic Index Fund” filed March 29, 1999; Ser. No. 09/197,908, titled “Digital Computer System and Methods for managing an Auction Market for Preferred-Return Securities” filed November 23, 1998; and Ser. No. 09/375,817, titled “Digital Computer System and Methods for a Synthetic Investment and Risk Management Fund” filed August 16, 1999.

IV. Status of All Claims

All claims have been rejected pursuant to 35 U.S.C. Sec. 102(e), and all claims are on appeal.

V. Status of All Amendments Filed Subsequent to Final Rejection

None.

VI. Concise Summary of the Invention

The invention pertains to computer support for a customizable fund. Unlike traditional mutual funds, a customizable fund is easy and low cost to create and offers investors a choice of multiple classes of investments, including customizable classes whose makeup is specified by the individual investor (or the investment manager acting for the investor). Also, unlike traditional mutual funds in which investors buy an undivided interest in a portfolio chosen by the fund, in the customizable fund the asset composition is determined by the investors. Additionally, the computer support of the present invention opens a new market for customizable investment products by permitting individual investors to have access to investment strategies (e.g., market-neutral investments) not available to investors in mutual funds.

VII. Reading of Claims on the Specification

The claims on Appeal read on the specification as follows:

1. A computer-aided method for

operating a customizable investment fund,
the method including the steps of:

receiving, at a central computer, first
digital signals from a first computer
specifying a custom set of investments for a
fund;

receiving, at the central computer,
second digital signals from a second
computer specifying a custom set of
investments for the fund;

generating, at the central computer,
digital signals for acquisition of investments
consistent with the first digital signals and
the second digital signals;

entering transaction data, at the
central computer, reflecting the acquisition
of said investments; and

outputting a separate accounting for
each said set of investments within the
fund.

2. The method of claim 1,
wherein the step of generating includes
generating digital signals for acquisition of

...operating a customizable investment fund.

Pg. 10, Ln. 8.

...receiving, at a central computer, first
digital signals from a first computer
specifying a custom set of investments for a
fund. Pg. 10, Lns. 10-11.

...receiving, at the central computer, second
digital signals from a second computer
specifying a custom set of investments for
the fund. Pg. 10, Lns. 13-14.

...generating, ...digital signals for acquisition
of investments consistent with the first
digital signals and the second digital
signals. Pg. 10, Lns. 16-17.

...entering transaction data, at the central
computer, reflecting the acquisition of said
investments. Pg. 10, Lns. 19-20.

...outputting a separate accounting for each
said set of investments within the fund. Pg.
10, Lns. 22-23.

...for generating digital signals for
acquisition of equity asset investments. Pg.
11, Lns. 2-3.

equity asset investments.

3. The method of claim 1,
wherein the step of generating includes
generating digital signals for acquisition of
interest-bearing assets.

...generating digital signals for acquisition of
interest-bearing assets. Pg. 11, Ln. 5.

4. The method of claim 1,
wherein the step of generating includes
generating digital signals for acquisition of
derivatives.

...generating digital signals for acquisition of
derivatives. Pg. 11, Ln. 7.

5. The method of claim 2,
wherein the step of generating includes
generating digital signals for acquisition of
derivatives.

...generating digital signals for acquisition of
derivatives. Pg. 11, Ln. 7.

6. The method of claim 2,
wherein the step of generating includes
generating digital signals for acquisition of
interest-bearing assets.

...generating digital signals for acquisition of
interest-bearing assets. Pg. 11, Ln. 5.

7. The method of claim 6,
wherein the step of generating includes

...generating digital signals for acquisition of
derivatives. Pg. 11, Ln. 7.

generating digital signals for acquisition of derivatives.

8. The method of claim 3, wherein the step of generating includes generating digital signals for acquisition of derivatives

...generating digital signals for acquisition of derivatives. Pg. 11, Ln. 7.

9. The method of claim 1, further including the steps of:
checking for errors made in said specifying; and

...checking for errors made in said specifying. Pg. 11, Ln. 9.

respectively testing said digital signals specifying a custom set of investments to ensure compliance with specifying rules.

...respectively testing said digital signals specifying a custom set of investments to ensure compliance with specifying rules. Pg. 11, Lns. 11-12.

10. The method of claim 9, wherein the testing is carried out with one of said rules limiting composition of the set of investments.

...testing carried out with one of said rules limiting composition of the set of investments. Pg. 11, Lns. 14-15.

11. The method of claim 9, wherein the testing is carried out with one of

...testing carried out with one of said rules limiting a minimum amount of any of said

said rules limiting a minimum amount of any of said investments.

investments. Pg. 11, Lns. 17-18.

12. The method of claim 1, wherein at least one of said steps of receiving includes receiving subsets of the set; and the step of outputting includes outputting an accounting for each subset.

...receiving subsets of the set of investments and outputting an accounting for each subset. Pg. 11, Lns. 20-21.

13. The method of claim 1, wherein one said specifying includes specifying first client rules for the set of investments and storing the first client rules.

...specifying first client rules for the set of investments and storing the first client rules. Pg. 11, Ln. 23 - Pg. 12, Ln. 1.

14. The method of claim 13, further including the step of receiving, at the central computer, a new transaction order from at least one of said first and second computers, for changing the set of investments such that the fund is a dynamically ongoing fund.

...receiving, at the central computer, a new transaction order from at least one of said first and second computers, for changing the set of investments such that the fund is a dynamically ongoing fund. Pg. 12, Lns. 3-5.

15. The method of claim 14, further including the step of retrieving the

...retrieving the stored first client rules in implementing the new transaction order with

stored first client rules in implementing the new transaction order with changed investments.

changed investments. Pg. 12, Lns. 7-8.

16. The method of claim 13, further including the step of receiving, at the central computer, digital signals from one of said first and second computers specifying automatic reinvesting of client income and client capital gains using the stored client rules.

...receiving, at the central computer, digital signals from one of said first and second computers specifying automatic reinvesting of client income and client capital gains using the stored client rules. Pg. 12, Lns. 10-12,

17. The method of claim 13, further including the step of receiving, at the central computer, digital signals from one of said first and second computers specifying rebalancing using the stored client rules.

...receiving, at the central computer, digital signals from one of said first and second computers specifying rebalancing using the stored client rules. Pg. 12, Lns. 14-15.

18. The method of claim 17, wherein the specifying includes specifying periodic rebalancing.

...specifying periodic rebalancing. Pg. 12, Ln. 17.

19. The method of claim 17, further including the step of entering a

...entering a function of at least one from a group consisting of a market condition and

function of at least one from a group consisting of a market condition and a change in a market condition to trigger the rebalancing.

a change in a market condition to trigger the rebalancing. Pg. 12, Lns. 19-20.

20. The method of claim 1, further including the step of changing investments in one of said sets in response to a client transaction in a cash management account system.

...changing investments in one of said sets in response to a client transaction in a cash management account system. Pg. 12, Lns. 22-23.

21. The method of claim 15, further including the step of:

specifying second client rules and storing the second client rules.

...specifying second client rules and storing the second client rules. Pg. 13, Ln. 2.

22. The method of claim 21, further including the steps of:

retrieving the stored second client rules to implement a subsequent transaction order while maintaining said investments corresponding to said new transaction order under said first client rules.

...retrieving the stored second client rules to implement a subsequent transaction order while maintaining said investments corresponding to said new transaction order under said first client rules. Pg. 13, Lns. 4-6.

23. The method of claim 21, further including the step of selectably applying one of said first client rules and said second client rules to control reinvesting client income and client capital gains.

...selectably applying one of said first client rules and said second client rules to control reinvesting client income and client capital gains. Pg. 13, Lns. 8-9.

24. The method of claim 21, further including the step of rebalancing one of said sets of investments using the second client rules.

...rebalancing one of said sets of investments using the second client rules. Pg. 13, Lns. 11-12.

25. The method of claim 15, further including the step of entering, at the central computer, current market prices for investments.

...entering, at the central computer, current market prices for investments. Pg. 13, Ln. 14.

26. The method of claim 25, further including entering current market prices, in real time, for the investments at the central computer to facilitate said accounting.

...entering current market prices, in real time, for the investments at the central computer to facilitate said accounting. Pg. 13, Lns. 16-17.

27. The method of claim 1, further including the step of reallocating one of said investments from one said set to another said set at current market prices and responsive to respective buy and sell signals from said first and said second computers, wherein said reallocating does not include said fund buying or selling said one investment.

...reallocating one of said investments from one said set to another said set at current market prices and responsive to respective buy and sell signals from said first and said second computers, wherein said reallocating does not include said fund buying or selling said one investment.
Pg. 13, Lns. 29-22.

28. The method of claim 26, wherein the accounting is performed in real time.

...performing the accounting in real time.
Pg. 14, Ln. 1.

29. The method of claim 26, wherein the implementing is performed in real time.

...performing implementing in real time.
Pg. 14, Ln. 3.

30. The method of claim 29, wherein the implementing is carried out subject to a limit order.

...carrying out implementing is subject to a limit order. Pg. 14, Ln. 5.

31. The method of claim 26, wherein the step of generating is performed

...performing generating in real time. Pg. 14, Ln. 7.

in real time.

32. The method of claim 1, wherein said steps of receiving are carried out with a web page intermediate said first and said second computers and said central computer.

...receiving with a web page intermediate said first and said second computers and said central computer. Pg. 14, Lns. 9-10.

33. The method of claim 1, further including the step of connecting the central computer to a trading computer system to implement said acquisition of said investments.

...connecting the central computer to a trading computer system to implement said acquisition of said investments. Pg. 14, Lns. 12-13.

34. The method of claim 1, further including the step of connecting the central computer to a brokerage computer system to implement said acquisition of said investments.

...connecting the central computer to a brokerage computer system to implement said acquisition of said investments. Pg. 14, Lns. 15-16.

35. The method of claim 1, wherein one of said steps of receiving is carried out with one of said first and said second computers being an investment

...receiving carried out with one of said first and said second computers being an investment manager computer system, said investment manager computer system

manager computer system, said investment manager computer system connected to an investment manager client computer terminal for communicating investment management data.

connected to an investment manager client computer terminal for communicating investment management data. Pg. 14, Lns. 18-21.

36. The method of claim 1, further including the step of connecting the central computer to a reporting computer system to provide data on potential investments to said first and said second computer systems.

...connecting the central computer to a reporting computer system to provide data on potential investments to said first and said second computer systems. Pg. 14, Ln. 23 - Pg. 15, Ln. 1.

37. The method of claim 1, further including the step of connecting the central computer to an insurance company computer system in funding a variable annuity.

...connecting the central computer to an insurance company computer system in funding a variable annuity. Pg. 15, Lns. 2-3.

38. The method of claim 1, further including the step of connecting the central computer to a banking computer system in making a funds transfer.

...connecting the central computer to a banking computer system in making a funds transfer. Pg. 15, Lns. 6-7.

39. The method of claim 1, further including the step of connecting the central computer to a funds transfer computer system in making a funds transfer.

...connecting the central computer to a funds transfer computer system in making a funds transfer. Pg. 15, Lns. 9-10.

40. The method of claim 1, wherein one of said receiving steps includes receiving a selection from a set of investment management rules provided by said central computer for managing said corresponding set of investments.

...receiving a selection from a set of investment management rules provided by said central computer for managing said corresponding set of investments. Pg. 15, Lns. 12-13.

41. The method of claim 40, wherein said step of receiving a selection is carried out with a web page intermediate said central computer and one of said first and said second computers.

...receiving a selection is carried out with a web page intermediate said central computer and one of said first and said second computers. Pg. 15, Lns. 15-16.

42. The method of claim 41, wherein the step of receiving a selection includes receiving data for at least one parameter from a group consisting of client age, client risk preference, client retirement

...receiving data for at least one parameter from a group consisting of client age, client risk preference, client retirement age, client income, client investment amount, client target retirement income, and an asset

age, client income, client investment amount, client target retirement income, and an asset allocation percentage, to make the selection at the central computer.

43. The method of claim 40, wherein said step of receiving a selection includes receiving a selection determining allocation of funds between classes of investments.

44. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing said corresponding set of investments to match an index.

45. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing equity asset investments.

46. The method of claim 40, wherein the step of receiving a selection

allocation percentage, to make the selection at the central computer. Pg. 15, Lns. 18-21.

...receiving a selection determining allocation of funds between classes of investments. Pg. 15, Ln. 23 - Pg. 16, Ln. 1.

...receiving instructions for managing said corresponding set of investments to match an index. Pg. 72, Lns. 3-4.

...receiving instructions for managing equity asset investments. Pg. 16, Ln. 6.

...receiving instructions for managing interest-bearing assets. Pg. 16, Ln. 8.

includes receiving instructions for managing interest-bearing assets.

47. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

...receiving instructions for managing derivatives. Pg. 16, Ln. 10.

48. The method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing interest-bearing assets.

...receiving instructions for managing interest-bearing assets. Pg. 16, Ln. 8.

49. The method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

...receiving instructions for managing derivatives. Pg. 16, Ln. 10.

50. The method of claim 46, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

...receiving instructions for managing derivatives. Pg. 16, Ln. 10.

51. The method of claim 48,

...receiving instructions for managing

wherein the step of receiving a selection derivatives. Pg. 16, Ln. 10.
includes receiving instructions for managing
derivatives.

VIII. Concise Statement of All Issues Presented for Review

- A. Did the Examiner set out a prima face case of obviousness pursuant to 35 U.S.C. Sec. 103?

IX. Grouping of Claims for Each Ground of Rejection Which Appellant Contests

Each claim stands as separately for the reasons set forth below.

X. Argument

A. Law

The legal standard for determining obviousness pursuant to 35 U.S.C. Sec. 103 is stated in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). The U.S. Supreme Court held that in applying Section 103, "the scope of the prior art is to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the art is to be ascertained." *Deere* at 17. Accordingly, the CCPA has ruled that 35 U.S.C. Sec. 103 places the burden on the PTO to establish obviousness. *In re Reuter*, 651 F.2d 751, 210 USPQ 249 (CCPA 1981).

In rejecting claims under 35 U.S.C. Sec. 103, an Examiner bears the initial burden of presenting a *prima facie* case of obviousness. *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ 2d. 1443, 1444 (Fed. Cir. 1992). Only if that burden is met, does the burden of coming forward with evidence or argument shift to the Applicant. *Id.*

"A prima facie case of obviousness is established when the teachings from the prior art itself would appear to have suggested the claimed subject matter to a person of ordinary skill in the art."

In re Bell, 991 F.2d 781, 782, 26 USPQ2d 1529, 1531 (Fed. Cir. 1993) (quoting *In re Rinehart*, 531 F.2d 1048, 1051, 189 USPQ 143, 147 (CCPA 1976)).

When making a determination concerning obviousness, all limitations of the claim must be evaluated. 35 U.S.C. Sec. 103; *In re Miller*, 418 F.2d 1392, 64 USPQ 46 (CCPA 1969). Further, there must be some logical reason apparent from the record that would justify modification of the reference. *In re Royal*, 188 USPQ 132 (CCPA 1975).

If the Examiner fails to establish a *prima facie* case, the rejection is improper and will be overturned. *In re Fine*, 837 F.2d 1071, 1074; 5 USPQ2d 1596, 1598 (Fed. Cir. 1988).

B. Argument

Beginning with claim 1, but really as to all claims, there are at least three dispositive issues in this case: (1) the Final Rejection does not even comprehend (let alone make a prior art showing of) the claimed subject matter, i.e., the claimed investment fund is not the same as “investments” and a “set of investments,” and (2) processing data cannot be obvious without a teaching of the data to process; and (3) there is no proper reason to modify or combine. Further, as to each and every claim below, there is no consideration of the claim as a whole, as required by 35 USC Sec. 103, and for all the foregoing reasons and undoubtedly others, the Examiner has failed to meet the statutory burden of proof for a case of *prima facie* obviousness. Therefore, the rejections must be reversed.

The present invention is directed to a type of “fund.” And what constitutes a fund is well known in securities law and finance, and an example is a mutual fund. In particular, the present invention is directed to a customizable investment fund.

Appellant does not want to seem patronizing, but there appears to be a major disconnect on the notion of a fund. Those having ordinary skill in the art of finance would know precisely know the meaning of an investment fund, from such definitions as can be found in the Investment Company Act of 1940. The art cited against the only independent claim is Parsons, which pertains to an employee benefit plan. An employee benefit plan such as Parsons doesn’t teach anything at all about how to operating a customizable investment fund, as is more

particularly set forth below.

(1) The Final Rejection does not Even Comprehend (Let Alone Make a Prior Art Showing of) the Claimed Subject Matter

In the Final Rejection, at paragraph 3, the Examiner contends that Applicant's arguments filed February 12, 2003, have been fully considered but they are not deemed to be persuasive. After repeating the contention that Parsons teaches the present invention, the Office Action concludes by stating "The Examiner would advice (sic) applicant to review prior art and the office action in a more careful manner."

After reading the Examiner's reassertion that Parsons teaches the claimed customizable investment fund, the Applicant respectfully suggests that the Examiner might consider reviewing the Applicant's remarks filed February 12, 2003, in a more careful manner.

Applicant remarked:

Before addressing the individual claim rejections, we would like to respectfully point out that Parsons addresses an invention unrelated to the management of an investment fund, let alone a customizable investment fund as per the present invention. Parsons' invention addresses the problem faced by Multinational Enterprises (MNEs) in creating benefit plans that are functionally equivalent wherever they do business. "Compliance with changing tax laws and host country social programs is extremely challenging. Consequently many MNEs find themselves out of compliance in one or more jurisdictions. Prior to this invention, there was no uniform means for providing benefits in a stable tax environment that would be applicable across jurisdictional borders" (Parsons, column 3, lines 5-9).

Specifically, the subject matter of Parsons' invention is "defining a benefit plan that is viable at one location but not viable at the location of the replacement plan, to convert the information into a portion of the input data that is electrically conveyed to the digital electrical computer for the processing of the input data into output data, the output data corresponding to characteristics for a replacement of the benefit plan that is viable at the replacement plan's location; and generating an illustration of the replacement at the output device" (Parsons, column 5, lines 54-63). This subject matter is different from, and unrelated to, the operation of an investment fund, let alone a customizable investment fund.

Applicant further noted that:

Nowhere in the above selected references does Parsons use the term "investment fund." The Examiner appears to be asserting that the act of managing investments constitutes operating an investment fund and/or that a

benefit plan is equivalent to an investment fund. Neither assertion is true. We respectfully refer the Examiner to the Investment Company Act of 1940 for a definition of an investment fund.

However, after stating that “applicant’s arguments filed February 12, 2003 have been fully considered but they are not deemed to be persuasive,” the Examiner reasserts the contentions in the previous Office Action in the Final Rejection, paragraph 3, as follows:

“Parsons teaches a computer aid method (34) (column 11, line 21) (this is to indicate where the information can be found) for operating investment fund *i.e. equity asset investments, and etc.*” (italics added). In addition, the Examiner also stated “Parsons does not explicitly mention *a custom set of investments* for a fund (*i.e. customizable funds*) (italics added). However, Parsons teaches a means wherein the participant/user is presented a menu of products and services from which to choose those that are of interest or best suits the participant’s needs (column 38, lines 36-56) (see Figure 19). Therefore, it would have been obvious to one skilled artisan in the art to realize that the system, as taught by Parsons, has a custom set of investments (*i.e. customizable funds*) (italics added) and/or client’s rule for a fund from a participant.

The above contentions reveal that the Final Rejection does not comprehend the claimed subject matter. Attention is drawn to the i.e.’s that have been italicized for emphasis (note especially the confusion between the singular and plural). The examples makes it clear that the Examiner is confusing *investments* with an investment fund. The Examiner’s cited “*equity asset investments, and etc.*” is not an example of an investment fund; and *a custom set of investments* is not an example of an investment fund, either. The above-quoted contention reveals that the Final Rejection does not comprehend the claimed subject matter.

A person having ordinary skill in the art would know that an investment fund is an *organization*, a *company*, and based on common usage of the term in the art, for example, in the Investment *Company* Act of 1940. The Board is welcome to take Official Notice of the Act for a definition of an investment fund (as per Applicant’s Response filed February 12, 2003). An investment fund is *not*, as the Examiner continues to mistakenly assert, an *investment* or a *set of investments*.

Because the Final Rejection does not reflect a comprehension of the claimed

subject matter, the Office Action makes little sense. The only cited art is Parsons, and an employee benefit plan such as Parsons doesn't teach anything at all about how to operate an investment fund. Indeed, in connection with the claimed computer-aided method for operating a customizable investment fund, nowhere does Parsons teach any of the following steps:

receiving, at a central computer, first digital signals from a first computer specifying a custom set of investments for a fund;

receiving, at the central computer, second digital signals from a second computer specifying a custom set of investments for the fund;

generating, at the central computer, digital signals for acquisition of investments consistent with the first digital signals and the second digital signals;

entering transaction data, at the central computer, reflecting the acquisition of said investments; and,

outputting a separate accounting for each said set of investments within the fund.

Parsons does not teach or suggest expressly claimed elements and limitations, and thus the rejection must be reversed. See, e.g., *In re Fine*. Indeed, the only cited art pertains to employee benefits and has nothing to do with operation of a customizable investment fund. Therefore, the Examiner failed to make out a *prima facie* case of obviousness, and the rejection must be reversed.

(Note that it is not conceded that Parsons is prior art, either. There is simply no reason to pursue swearing behind art that does not establish *prima facie* obviousness.)

(2) Processing Data Cannot be Obvious Without a Teaching of the Data to Process.

The Examiner acknowledges in the Office Action and the Final rejection at page 2 that: "Parsons does not explicitly mention a custom set of investments for a fund."

Respectfully, this is a most interesting concession as this is the subject matter of the claimed invention. Indeed, the Examiner has conceded that Parsons does not explicitly mention the subject matter of the present invention, which is correct. The Examiner has not cited anything whatsoever that mentions the claimed investment fund, and more particularly, one that is in any way customizable.

In making this acknowledgement, the Examiner is saying that Parsons does not explicitly teach the first receiving step and does not teach the second receiving step of claim 1.

It is well recognized in the law that an unobvious starting material of a claimed process will establish claim patentability. See, e.g., *In re Ochiai*, (CA FC) 37 USPQ 3d 1127 (Dec. 11, 1995); *In re Brower, et al.*, 167 USPQ (CCPA 1970). This follows because processing data cannot be obvious without a teaching of the data to process. All of the other steps in claim 1 (and all dependent claims) depend on the data from these receiving steps. That is, for example, the claimed generating, entering and outputting steps all operate on the basis of the digital signals received in the receiving steps. Therefore, in the acknowledgement that “Parsons does not explicitly mention a custom set of investments for a fund,” the Examiner has acknowledged that Parsons does not teach the first receiving step and the second receiving step in claim 1, and thus that Parsons does not teach processing that data in any of the steps in claim 1.

Although in effect acknowledging that Parsons does not teach the receiving steps, and necessarily acknowledging that Parsons does not teach any of the steps of claim 1, the Examiner nonetheless proceeds on the basis that Parsons teaches all of the steps of claim 1 except the receiving steps – even though the Examiner presents no evidence that supports any of this and that it is impossible given that all of the subsequent steps of claim 1 depend on the receiving steps. Still the Examiner goes on to assert that the first receiving step in claim 1 would be obvious to one skilled in the art because “Parsons teaches a means wherein a the

participant/user is presented a menu of products and services from which to choose those that are most of interest or best suits the participant's needs (column 38, lines 36-56) (see Figure 10)."

In response, it is noted that this quote from Parsons does not speak of acquisition of investments in connection with the claimed custom set of investments for the fund. Based on the cited art, the only mention of custom set of investments for the fund is in Applicant's claims. Selecting investments for an employee benefit plan (Parsons) has nothing to do with operating an investment fund and most certainly does not suggest a customizable investment fund. Parson's is teaching is unrelated to the claimed specifying a custom set of investments for a fund and, therefore, the first receiving step in claim 1 have not been shown obvious based on Parsons, therefore the subsequent steps in claim 1 that all depend on the first receiving step have not been shown obvious either.

The rejection of claim 1 is completely traversed because Parsons does not teach any of the steps of claim 1, which is not surprising given that Parsons' invention is concerned with the different and unrelated subject matter of employee benefit plans.

(3) There is no Proper Reason to Modify

In *In re Jansson*, 609 F.2d 996,203 USPQ 976 (CCPA 1979), the court found that there was no obviousness where the only suggestion for a claimed combination came from the applicant's own specification.

The Final Rejection purports to modify the employee benefit system of Parsons into the claimed customizable investment fund method for no reason at all. See, Final Rejection at pages 2-3. The only mention of customizable investment fund in the cited art is in the instant claims, so it is the sole inspiration for modifying the cited art. Thus, pursuant to *In re Jansson*, the rejection must be reversed.

(4) Conclusion

In sum, the rejection of claim 1 and really all claims fails to make out a case of *prima facie* obviousness because (1) the Final Rejection does not even comprehend (let alone make a prior art showing of) the claimed subject matter, i.e., the claimed investment fund is not the same as “investments” and a “set of investments,” especially in an employee benefit plan, and (2) processing data cannot be obvious without a teaching of the data to process; further, (3) there is no proper reason to modify where the only suggestion for a claimed combination came from the applicant's own specification, the only mention of customizable investment fund. Accordingly, the rejection must be reversed.

Moving on, claims 2-8 and 19 have been rejected on the same rationale as claim 1. Therefore, given that the rejection of claim 1 has is traversed, the rejection of claims 2-8 and 19 is also traversed and for the reasons set forth above regarding claim 1: Parsons is unrelated subject matter.

More particularly, as to claim 2, there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in acquisition of equity assets, as required in claim 2.

Further, as to claim 3, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in acquisition of interest-bearing assets, as required in claim 3.

Additionally, as to claim 4, again, as there is no mention in the cited art of the claimed customizable investment fund, there can be no teaching of the customizable investment fund engaged in acquisition of derivatives, as required in claim 4.

Further, as to claim 5, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in acquisition of equity assets and acquisition of derivatives as required in claim 5.

Further, as to claim 6, again there is no mention in the cited art of the claimed

customizable investment fund, and thus there can be no teaching of the customizable investment fund engaged in acquisition of equity assets and acquisition of interest-bearing assets, as required in claim 6.

Additionally, as to claim 7, there again is no mention in the cited art of the claimed customizable investment fund, so it is not possible for there to be a teach of the customizable investment fund engaged in acquisition of equity assets and acquisition of interest-bearing assets and acquisition of derivatives, as required in claim 7.

Respectfully, the rejection of claim 19 is incomprehensible. Claim 19 depends from 17, which depends from 13, which in turn depends from claim 1. The Final Rejection lumps claim 19 in with 2-8 and indicates that the rejection is for the same rationale as claim 1. However, claim 19, collectively with the interceding claims, add many limitations and requirements that are not mentioned in the Final Rejection in connection with claim 1. Inasmuch as Parsons pertains to an employee benefit system, and does not teach or disclose anything about how to operate a customizable investment fund, Appellant cannot really account for the rejection of claim 19. Suffice it to say that the cited art does not disclose the claimed requirements.

Turning now to claim 9, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in checking for errors in said specifying nor further engaged in testing. The Examiner has rejected claims 9-13 and contends that Parsons teaches “a means for checking error and prompt messages (column 10, lines 43-46)” and “a compliance computer (66) to ensure compliance with the specifying rule.” However, the Examiner’s reliance on column 10, lines 43-46, is in error: Parsons does not speak of checking for errors in specification but rather a file, accessible to all users containing the standard dictionary files, files containing the menus, error and information messages and prompts. Therefore, Parsons does not teach checking for

errors in claimed specifying, nor does Parsons teach any of the steps in claim 1 in connection with claim 9.

Regarding claim 10, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in all that is set forth in claim 9 and wherein said testing is carried out with one of said rules limiting composition of the set of investments.

Regarding claim 11, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in all that is set forth in claim 9 and wherein said testing is carried out with one of said rules limiting a minimum amount of any of said investments.

As to claim 12, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in receiving subsets of the set. Note too that it was the receiving steps that were particularly important in the failings of the Examiner's case in that, without receiving the required input data, the processing could not be obvious. Note too that there is no showing of the combination as a whole, including the accounting for each subset.

Regarding claim 13, again there is no mention in the cited art of the claimed customizable investment fund, thus there can be no teaching of the customizable investment fund engaged in specifying first client rules for the set of investments and storing the first client rules.

The Examiner has rejected claims 14-18 and contends that "Parsons teaches a computer aid method for operating investment fund comprising a computer network having a database (13) (column 10, lines 11-13)" and "The computer network is capable of receiving/retrieving inputs and/or custom set of investments in implementing the transaction order i.e. rebalancing, changes in market conditions and etc." However, Parsons pertains to an

employee benefit plan and has nothing to do with the claimed investment fund. Thus, Parsons has nothing to do with the steps contained in claims 14-18 of the present invention. The Examiner's reliance on column 10, lines 11-13 is believed to be in error. At column 10, lines 11-14 in Parsons states that: "The present invention can best be implemented by utilizing a database 13 of files (or an equivalent, e.g., records, a relational database, etc.) pertaining to insurance documentation data for processing as discussed herein." It is respectfully submitted that insurance documentation has nothing to do with operating an investment fund, and Parsons does not teach or suggest any of the steps contained in claims 14-18. The rejection of claims 14-18 is traversed completely on the grounds that Parsons does not teach the steps contained in claims 14-18 nor any of the steps of claim 1, on which claims 14-18 all depend.

More particularly, as to claim 14, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in receiving, at the central computer, a new transaction order from at least one of said first and second computers, for changing the set of investments such that the fund is a dynamically ongoing fund.

As to claim 15, again there is no mention in the cited art of the claimed customizable investment fund, thus there can be no teaching of the customizable investment fund engaged in retrieving the stored first client rules in implementing the new transaction order with changed investments.

Regarding claim 16, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in receiving, at the central computer, digital signals from one of said first and second computes specifying automatic reinvesting of client income and client capital gains using the stored client rules.

More particularly as to claim 17, again there is no mention in the cited art of the

claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in receiving, at the central computer, digital signals from one of said first and second computers specifying rebalancing using the stored client rules.

And as to claim 18, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the process of claim 17 wherein the specifying includes specifying periodic rebalancing.

The Examiner has rejected claims 20-24 on the grounds that “Parsons has all of the features of the invention,” “teaches multiple computer systems having multiple software to manage multiple functions” and, “therefore, it would have been obvious to one skilled artisan in the art to add a cash management account into the system” and “have a second set of client rules/custom set of investment added to the system.”

However, as noted above, the Examiner has conceded that indeed “Parsons does not explicitly mention a custom set of investments for a fund,” and the present contention is contrary to the Examiner’s own acknowledgement. More so, Parsons does not teach any of the steps of claim 1 (on which, claims 20-24) depend. Therefore, there is no basis for an argument that the steps contained in claims 20-24 are obvious. The rejection of claims 20-24 is therefore completely traversed.

More particularly regarding claim 20, again there is no mention in the cited art of the claimed customizable investment fund, and thus there can be no teaching of the customizable investment fund engaged in changing investments in one of said sets in response to a client transaction in a cash management account system.

As to claim 21, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in specifying second client rules and storing the second client rules.

As to claim 22, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the process of claim 21 and in retrieving the stored second client rules to implement a subsequent transaction order while maintaining said investments corresponding to said new transaction order under said first client rules.

As to claim 23, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the process of claim 21 and in selectably applying one of said first client rules and said second client rules to control reinvesting client income and client capital gains.

As to claim 24, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the process of claim 21 and in rebalancing one of said sets of investments using the second client rules.

The Examiner has rejected claims 25-31 and appears to contend that, although Parsons does not teach the steps contained in the claims, they would have been obvious given Parsons. The rejection is traversed on the grounds that Parsons does not teach any of the steps contained in claims 25-31 nor any of the steps of claim 1, on which claims 25-31 all depend. More so, the only reason to modify Parsons to reach the claimed invention is the claimed invention—and this is an improper reason to modify.

As to claim 25, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the process of claim 15, further including the step of entering, at the central computer, current market prices for investments.

As to claim 26, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund

engaged in entering current market prices, in real time, for the investments at the central computer to facilitate said accounting.

As to claim 27, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in reallocating one of said investments from one said set to another said set at current market prices and responsive to respective buy and sell signals from said first and said second computers, wherein said reallocating does not include said fund buying or selling said one investment.

As to claim 28, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund wherein the accounting is performed in real time.

As to claim 29, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund wherein the implementing is performed in real time.

As to claim 30, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund wherein the implementing is carried out subject to a limit order.

As to claim 31, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund wherein the step of generating is performed in real time.

Claims 32, 34, and 41-42 have been rejected pursuant to 35 U.S.C. 103(a). The Examiner contends that these claims are obvious in view of Parsons in combination with Austin.

In response, the contention is respectfully traversed for reasons set forth above and below, at least in that there is no teaching, mention, or suggestion whatsoever of a customizable investment fund in the cited art. Parsons does not mention it, and Austin does not

mention it either, and indeed has nothing to do with a customizable investment fund. Nor has the Examiner provided any reason to combine Parsons with Austin, so the rejection is also improper for failure to have any motivation or suggestion to combine, contrary to *In re Lee*, 61 USPQ 2d 1430 (CA FC 2002), *In re Rouffet*, (CA FC) 47 USPQ 3d 1453 (July 15, 1998), and *In re Kotzab*, (CA FC) 55 USPQ 2d 1313 (June 30, 2002).

More particularly, the Examiner has rejected claim 32 by contending that “Parsons has all of the features of the invention but lacks teaching of a web page” and “Austin teaches a web page for displaying information” thus making it obvious to one skilled in the art to “combine the teaching of Austin and Parsons so that the system can display the investments on a web page.”

Parsons does not teach “all of the features of the invention...” as set out above, and in fact, Parsons does not teach any of the steps of claim 1 upon which claim 32 depends – nor does Austin. The subject of the present invention is the claimed customizable investment fund, not an employee benefit plan of Parsons, and not a multimedia system of Austin. Parsons and Austin have nothing to do with the claimed invention.

As to claim 33, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to a trading computer system to implement said acquisition of said investments.

The Examiner has rejected claim 34 and contends that “Austin teaches a computer network comprising a central computer/server connects to a brokerage house and/or brokerage computer system.” The Examiner provided no citation or reference to justify this contention, nor is there a citation to a trading computer system. In perusing Austin, there is no mention of a central computer system connected to a brokerage house computer system or a trading computer system. The Examiner seems to be simply making things up. Further, the

rejection is improper as there is no reason to combine or modify. In any case, neither Parsons nor Austin teaches any of the steps of claim 1 on which claim 34 depends and the rejection of claim 34 is therefore completely traversed. Again, there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to a brokerage computer system to implement said acquisition of said investments.

The Examiner has rejected claim 35 and contends that “Parsons teaches a computer network including an investment manager and/or fund manager (column 34, line 18) (column 38, line 36-column 39, line 29) connect to a client terminal/participant for communicating investment management data.”

In response, the rejection is respectfully traversed. Parsons does not teach any of the steps of claim 1 on which claim 35 depends, nor the particulars of claim 35 either. There is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in a method wherein one of said steps of receiving is carried out with one of said first and said second computers being an investment manager computer system, said investment manager computer system connected to an investment manager client computer terminal for communicating investment management data.

Further, the rejection has not considered the invention as a whole, as required by Sec. 103, but instead seeks a piecemeal reconstruction from unrelated art, inspired only by Applicant's disclosure.

With regard to claim 36, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to a reporting computer system to provide data on potential investments to said first and said second computer systems.

The Examiner has rejected claims 37-40 under the same rationale as claim 35.

In response, the rejection of claims 37-40 is similarly traversed on the grounds that Parsons does not teach any of the steps of claim 1 on which claims 37-40 depend. An employee benefit plan has nothing to do with operating an investment fund. Again, as to claim 37, there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to an insurance company computer system in funding a variable annuity.

Further, as to claim 38, there again is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to a banking computer system in making a funds transfer.

Additionally, as to claim 39, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in connecting the central computer to a funds transfer computer system in making a funds transfer.

Additionally, as to claim 40, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in a method wherein one of said receiving steps includes receiving a selection from a set of investment management rules provided by said central computer for managing said corresponding set of investments.

The Examiner has rejected claim 41, apparently for no particular reason at all. There is a general mention in paragraph 2 contending that the claim is unpatentable over Parsons in view of Austin, but the Examiner does not make any argument regarding claim 41 other than this assertion. The rejection of claim 41 is improper and completely traversed on the grounds that neither Parsons nor Austin teaches any of the steps of claim 1 on which claim 41 depends. The foregoing argument pertaining to claim 32 is incorporated here by reference,

except more particularly, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in a method wherein said step of receiving a selection is carried out with a web page intermediate said central computer and one of said first and said second computers.

The Examiner has rejected claim 42 on the grounds that “Parsons teaches a database for storing consisting of participant/client retirement age.” The rejection of claim 42 is traversed on the grounds that neither Parsons nor Austin teaches any of the steps of claim 1 on which claim 42 depends. As to claim 42, the foregoing argument pertaining to claim 32 is incorporated here by reference, except more particularly, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in a method wherein the step of receiving a selection includes receiving data for at least one parameter from a group consisting of client age, client risk preference, client retirement age, client income, client investment amount, client target retirement income, and an asset allocation percentage, to make the selection at the central computer.

As to claim 43, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 40, wherein said step of receiving a selection includes receiving a selection determining allocation of funds between classes of investments.

Regarding claim 44, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing said corresponding set of investments to match an index.

As to claim 45, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund

engaged in the method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing equity asset investments.

And as to claim 46, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing interest-bearing assets.

Regarding claim 47, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

Regarding also claim 48, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing interest-bearing assets.

Still more particularly, as to claim 49, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

More particularly, as to claim 50, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 46, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

Even more particularly, as to claim 51, again there is no mention in the cited art of the claimed customizable investment fund, so there can be no teaching of the customizable investment fund engaged in the method of claim 48, wherein the step of receiving a selection

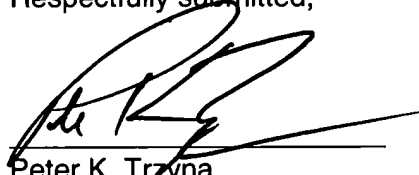
includes receiving instructions for managing derivatives.

In sum, as to all claims, there are at least three dispositive issues in this case: (1) the Final Rejection does not even comprehend (let alone make a prior art showing of) the claimed subject matter, i.e., the claimed investment fund is not the same as "investments" and a "set of investments," and (2) processing data cannot be obvious without a teaching of the data to process; and (3) there is no proper reason to modify or combine. Further, as to each and every claim, there is no consideration of the claim as a whole, as required by 35 USC Sec. 103, and for all the foregoing reasons and undoubtedly others, the Examiner has failed to meet the statutory burden of proof for a case of *prima facie* obviousness. Therefore, the rejections must be reversed.

XI. CONCLUSION

Based on the foregoing, in view of 35 U.S.C. Sec. 103 as applied to the evidence, with consideration of the case law cited above, it is respectfully requested that the Examiner's rejections be reversed and the application be passed on to allowance.

Respectfully submitted,



Peter K. Trzyna
(Reg. No. 32,601)

Date: May 9, 2003

P.O. Box 7131
Chicago, IL 60680-7131

(312) 240-0824

Appendix

1. A computer-aided method for operating a customizable investment fund, the method including the steps of:

receiving, at a central computer, first digital signals from a first computer specifying a custom set of investments for a fund;

receiving, at the central computer, second digital signals from a second computer specifying a custom set of investments for the fund;

generating, at the central computer, digital signals for acquisition of investments consistent with the first digital signals and the second digital signals;

entering transaction data, at the central computer, reflecting the acquisition of said investments; and

outputting a separate accounting for each said set of investments within the fund.

2. The method of claim 1, wherein the step of generating includes generating digital signals for acquisition of equity asset investments.

3. The method of claim 1, wherein the step of generating includes generating digital signals for acquisition of interest-bearing assets.

4. The method of claim 1, wherein the step of generating includes generating digital signals for acquisition of derivatives.

5. The method of claim 2, wherein the digital signals investments includes a digital signals for acquisition of derivatives.

6. The method of claim 2, wherein the step of generating includes generating digital signals for acquisition of interest-bearing assets.

7. The method of claim 6, wherein the step of generating includes generating digital signals for acquisition of derivatives.

8. The method of claim 3, wherein the step of generating includes generating digital signals for acquisition of derivatives

9. The method of claim 1, further including the steps of:
checking for errors made in said specifying; and
respectively testing said digital signals specifying a custom set of
investments to ensure compliance with specifying rules.

10. The method of claim 9, wherein the testing is carried out with one of said
rules limiting composition of the set of investments.

11. The method of claim 9, wherein the testing is carried out with one of said
rules limiting a minimum amount of any of said investments.

12. The method of claim 1, wherein at least one of said steps of receiving
includes receiving subsets of the set; and the step of outputting includes outputting an
accounting for each subset.

13. The method of claim 1, wherein one said specifying includes specifying first client rules for the set of investments and storing the first client rules.

14. The method of claim 13, further including the step of receiving, at the central computer, a new transaction order from at least one of said first and second computers, for changing the set of investments such that the fund is a dynamically ongoing fund.

15. The method of claim 14, further including the step of retrieving the stored first client rules in implementing the new transaction order with changed investments.

16. The method of claim 13, further including the step of receiving, at the central computer, digital signals from one of said first and second computers specifying automatic reinvesting of client income and client capital gains using the stored client rules.

17. The method of claim 13, further including the step of receiving, at the central computer, digital signals from one of said first and second computers specifying rebalancing using the stored client rules.

18. The method of claim 17, wherein the specifying includes specifying periodic rebalancing.

19. The method of claim 17, further including the step of entering a function of at least one from a group consisting of a market condition and a change in a market condition to trigger the rebalancing.

20. The method of claim 1, further including the step of changing investments in one of said sets in response to a client transaction in a cash management account system.

21. The method of claim 15, further including the step of:
specifying second client rules and storing the second client rules.

22. The method of claim 21, further including the steps of:
retrieving the stored second client rules to implement a subsequent transaction order while maintaining said investments corresponding to said new transaction order under said first client rules.

23. The method of claim 21, further including the step of selectably applying one of said first client rules and said second client rules to control reinvesting client income and client capital gains.

24. The method of claim 21, further including the step of rebalancing one of said sets of investments using the second client rules.

25. The method of claim 15, further including the step of entering, at the central computer, current market prices for investments.

26. The method of claim 25, further including entering current market prices, in real time, for the investments at the central computer to facilitate said accounting.

27. The method of claim 1, further including the step of reallocating one of

said investments from one said set to another said set at current market prices and responsive to respective buy and sell signals from said first and said second computers, wherein said reallocating does not include said fund buying or selling said one investment.

28. The method of claim 26, wherein the accounting is performed in real time.

29. The method of claim 26, wherein the implementing is performed in real time.

30. The method of claim 29, wherein the implementing is carried out subject to a limit order.

31. The method of claim 26, wherein the step of generating is performed in real time.

32. The method of claim 1, wherein said steps of receiving are carried out with a web page intermediate said first and said second computers and said central computer.

33. The method of claim 1, further including the step of connecting the central computer to a trading computer system to implement said acquisition of said investments.

34. The method of claim 1, further including the step of connecting the central computer to a brokerage computer system to implement said acquisition of said

investments.

35. The method of claim 1, wherein one of said steps of receiving is carried out with one of said first and said second computers being an investment manager computer system, said investment manager computer system connected to an investment manager client computer terminal for communicating investment management data.

36. The method of claim 1, further including the step of connecting the central computer to a reporting computer system to provide data on potential investments to said first and said second computer systems.

37. The method of claim 1, further including the step of connecting the central computer to an insurance company computer system in funding a variable annuity.

38. The method of claim 1, further including the step of connecting the central computer to a banking computer system in making a funds transfer.

39. The method of claim 1, further including the step of connecting the central computer to a funds transfer computer system in making a funds transfer.

40. The method of claim 1, wherein one of said receiving steps includes receiving a selection from a set of investment management rules provided by said central computer for managing said corresponding set of investments.

41. The method of claim 40, wherein said step of receiving a selection is

carried out with a web page intermediate said central computer and one of said first and said second computers.

42. The method of claim 41, wherein the step of receiving a selection includes receiving data for at least one parameter from a group consisting of client age, client risk preference, client retirement age, client income, client investment amount, client target retirement income, and an asset allocation percentage, to make the selection at the central computer.

43. The method of claim 40, wherein said step of receiving a selection includes receiving a selection determining allocation of funds between classes of investments.

44. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing said corresponding set of investments to match an index.

45. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing equity asset investments.

46. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing interest-bearing assets.

47. The method of claim 40, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

48. The method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing interest-bearing assets.

49. The method of claim 45, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

50. The method of claim 46, wherein the step of receiving a selection includes receiving instructions for managing derivatives.

51. The method of claim 48, wherein the step of receiving a selection includes receiving instructions for managing derivatives.